

**Minutes of the Meeting
April 22, 2014**

The Durham County ABC Board met at the administrative office, 3620 Durham Chapel Hill Boulevard, on the 22nd day of April, 2014.

Board Chair, Wayland Burton, called the meeting to order at 5:30 p.m.

Board members Deirdre Guion, Norwood “Andy” Miller, Sharron Hunter-Rainey and Robert “Bob” Nauseef were present. Attorney George W. Miller, Jr. was also present. Perlle Davis, Support Services Director for Durham County ABC, and Lee Keatts, Durham County ABC Finance Officer, were also in attendance.

Conflict of Interest Review and Declaration

Mr. Burton read the Board’s Conflict of Interest Review and Declaration statement and asked Board members if they have an actual conflict or appearance of a conflict of interest with any items coming before the Board and, if so, does the Board member wish to recuse him or herself from deliberating and voting on the matter. All Board members verbalized that they do not have any conflicts.

Consent Items

Consent agenda items included the Board Attendance Report, Adoption of Agenda and Minutes of March 17, 2014 Regular Board Meeting.

Dr. Guion motioned for the consent agenda items to be accepted. Mr. Miller seconded the motion and the Board approved without objection.

General Business

Public Comment

Mr. Burton stated that there are not any members of the public present this evening.

Mr. Burton announced that the General Manager is not present this evening as he is finalizing his relocation to Durham County. Ms. Davis and Mr. Keatts are in attendance to present for Mr. Sessoms.

Law Enforcement Report for March 2014

Ms. Davis reported to the Board on law enforcement activity for the month of March which included a larceny investigation at the Holloway Street store, one RASP training, twenty-four hours of law enforcement training, forty-one inspections, twenty-five compliance checks and issuance of three traffic warning citations.

Financial Reports for March 2014

Mr. Keatts presented to the Board that DCABC is meeting all the performance ratio benchmarks based upon the criteria established by NC ABC Commission.

Total sales for the month were \$2,395,958 which is a decrease of (.97%) over last year and 1.62% over budget. Year-to-date sales were \$21,536,926 which is 5.67% over actual and 3.24% above

budget. Mr. Keatts attributes the decrease in sales in March compared to the prior year to icy weather and one less weekend day in 2014 versus 2013.

Profit before distribution was \$222,509 for the month and \$1,994,721 year-to-date which is a 2.37% change over the same period last year and 18.69% increase over year-to-date last year.

After profit distributions, net income was \$138,518 for the month which is a decrease of (7.42%) over the same period last year. Year-to-date net income was \$1,237,964 which is an increase of 11.76% over last year.

POS/Technology System Update

Ms. Davis reported to the Board that DCABC is now utilizing the new POS system. Implementation went well and the staff is pleased as the new system is user friendly and easy to learn. Net@Work's services will be terminated at the end of the month and Technology Associates is now DCABC's IT support firm. Technology Associates will be upgrading DCABC's network infrastructure to improve network connectivity.

Ms. Davis reported that DCABC donated an additional twenty-two computers to John Avery Boys and Girls Club. The computers were well received and the organization was very appreciative. The last round of computers to be replaced are five computers from the administrative office and that will occur in the next few months.

Ms. Davis reported that DCABC will start searching for a website development company to redesign the present website including the online ordering system for mixed beverage.

Strategic Planning and General Manager's Report

- **Hillsborough Road Store**

Ms. Davis reported to the Board on the retrofit of the Hillsborough Road store and presented pictures of a proposed layout to increase shelf space by 13% and improve the lighting issue. The estimated costs for renovations are \$80,000. Mr. Burton provided background to the Board regarding the proposed improvements to the store due to the age of the store and lack of lighting inside the store. The great location of the store warrants the upgrading especially with new developments in the vicinity. Mr. Burton also reported that a hole in the sidewalk where a post was previously located has been filled with gravel and is now a trip hazard so that needs repair as well.

The Board had a general discussion regarding the length of time the store will be closed in order to facilitate the renovations and redirecting customers to nearby stores. Several questions were also raised. Ms. Davis was asked to relay the Board's questions regarding the renovations to the General Manager. Those questions are:

1. How long is the project expected to take?
2. Will the store be closed to the public for any period of time? If so, request a contractual penalty for everyday the contractor exceeds the expected completion.
3. Can we get an all-in cost proposal for Hillsborough Road including issues in the parking lot and exterior lighting?
4. Can this be a proxy, or i.e., can this be a template for future renovations? For example, cost per square footage.

Mr. Burton requested a motion to move forward with renovations to the Hillsborough Road store contingent upon responses to all questions presented by Board members. Mr. Nauseef motioned to move forward with the above stated renovations. Dr. Guion seconded the motion and the Board approved without objection.

- **Logo Bags**
Ms. Davis reported that Mr. Sessoms has ordered product packaging bags that educate the public on the DCABC Board members and also the dollar amount of contributions given to the city and the county.
- **Employee Recognition Event**
Ms. Davis reported that the next Employee Recognition Event is planned for the month of May to continue the biannual schedule. The Board had a general discussion regarding scheduling the event. Mr. Burton suggested that Board members participate in the event so that members and employees have the opportunity to become acquainted and employee accomplishments may be recognized.

Other Business

- Mr. Burton reported that he, Mr. Sessoms and Mr. Miller met with NC ABC Chairman Gardner regarding the possibility of an additional audit of DCABC. The result of the conversation was that there are no audits of DCABC scheduled. At the meeting, Mr. Burton and Mr. Sessoms were invited to meet with the Chairman along with the other highest revenue producing local Boards on April 30 to discuss consistency among the Boards and operations within the Boards. Mr. Burton requested Board member input and suggestions regarding consistency be directed to Mr. Sessoms prior to the meeting.
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- Dr. Hunter-Rainey requested Board representation at the John Avery Boys and Girls Club 75th Anniversary Gala. Mr. Burton stated that he will request for Mr. Sessoms to make inquiry of the event.
- Mr. Burton reported that an invitation has been extended to the DCABC General Manager and Board Chair from Chairman Page to attend the Durham County Board of Commissioners Work Session in May. Mr. Burton extended the invitation to any Board member who wishes to attend as well as attorney Miller. Mr. Burton has forwarded the State of the Business Report to the County Commissioners in preparation for the meeting.
- Mr. Burton reported that the Board requires a grant subcommittee made up of two Board members and a citizen volunteer to review applications for upcoming grant requests. The Board had a general discussion regarding the process. Dr. Guion and Dr. Hunter-Rainey volunteered to participate in the subcommittee.

- Mr. Burton distributed suggested policy changes/additions to the Personnel Policies Manual regarding paid holidays to align DCABC holidays with County holidays and floating holidays as well as work place administration regarding DCABC accepting service of lawsuits. The policy amendments and additions have been disseminated for Board review so they may be discussed at a future Board meeting.
- Mr. Burton reviewed with the Board that there is a procedure in place for handling employee grievances. It was requested that the General Manager remind employees of this process.
- Mr. Burton reported to the Board that Brink's armored car service is now handling DCABC's bank deposits. The Board had a general discussion regarding armored car services and bank fees.

Closed Business

Dr. Hunter-Rainey motioned for the Board to go into closed session per G.S. § 143-318.11(a): (3) consult with attorney, (5) facility leases or purchases and (6) personnel matters. Dr. Guion seconded the motion and the Board approved without objection.

Adjournment

Dr. Hunter-Rainey motioned to adjourn the meeting. Dr. Guion seconded the motion and the Board approved without objection.

Approved By: _____

Wayland Burton, Board Chair